

Message Text

UNCLASSIFIED

PAGE 01 WELLIN 00271 310446Z

21

ACTION EA-10

INFO OCT-01 IO-10 ISO-00 EUR-12 SP-02 AID-05 EB-07 NSC-05

RSC-01 CIEP-02 TRSE-00 SS-15 STR-04 OMB-01 CEA-01

CIAE-00 COME-00 FRB-01 INR-07 NSAE-00 XMB-04 OPIC-06

LAB-04 SIL-01 DODE-00 PM-03 H-02 L-02 PA-02 PRS-01

USIA-15 AGR-10 /134 W

----- 105985

R 310425Z JAN 75

FM AMEMBASSY WELLINGTON

TO SECSTATE WASHDC 9165

INFO AMEMBASSY CANBERRA

USMISSION GENEVA

UNCLAS WELLINGTON 0271

E.O. 11652: N/A

TAGS: EFIN, NZ

SUBJ: LARGE 1974 BALANCE OF PAYMENTS DEFICIT

FOR MTN DELEGATION

1. ACCORDING TO RESERVE BANK FIGURES JUST RELEASED NEW ZEALAND ENDED 1974 WITH A CURRENT ACCOUNT BALANCE OF PAYMENTS DEFICIT OF NEARLY \$NZ816 MILLION DEVIDED BETWEEN OVER \$NZ530 MILLION ON TRADE AND NEARLY \$NZ286 MILLION ON INVISIBLE TRANSACTIONS (WHICH DEFICIT INCREASED \$NZ79 MILLION OR 38 PER CENT OVER 1973). IMPORTS TOTALLED NEARLY \$NZ2,277 MILLION, 53 PER CENT GREATER THAN 1973. DECEMBER IMPORT PAYMENTS TOTALLED \$NZ215 MILLION, (ONLY SURPASSED BY \$NZ222.5 MILLION FOR OCTOBER 1974).

2. 1974 EXPORT EARNINGS WERE \$1,747 MILLION, \$NZ 98 MILLION LESS THAN 1973. THE FALL WAS DUE PRINCIPALLY TO LOWER WOOL EXPORT EARNINGS (DOWN OVER \$NZ114 MILLION BELOW 1973 - A 25.3 PERCENT DROP) AND MEAT EXPORT
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 WELLIN 00271 310446Z

EARNINGS (DOWN OVER \$NZ 91 MILLION - A 14.6 PER CENT

DROP). ON THE OTHER HAND MANUFACTURED PRODUCTS EXPORTS FOR 1974 INCREASED 36 PERCENT OVER 1973 TO \$NZ195.3 MILLION, FORESTRY PRODUCTS EXPORTS ROSE 33 PER CENT TO \$NZ142.9 MILLION AND DAIRY PRODUCTS, UP 8.5 PERCENT TO \$NZ167.8 MILLION.

3. NET CAPITAL INFLOW OF \$NZ425.1 MILLION (OF WHICH \$NZ232.7 MILLION WAS IN GOVERNMENT BORROWING AND \$NZ270.4 MILLION IN PRIVATE BORROWING) AND IMF TRANSACTIONS OF \$NZ78.5 MILLION SERVED TO HOLD FALL IN FOREIGN EXCHANGE RESERVES TO \$NZ243 MILLION FOR A YEAR END TOTAL OF \$NZ581.8 MILLION. OF THE 1974 NZ\$425 MILLION CAPITAL INFLOW, \$NZ121.7 MILLION WAS IN THE MONTH OF DECEMBER AND OVER \$NZ76 MILLION WAS IN DRAWINGS BY THE GNZ FROM THE INTERNATIONAL REVOLVING CREDIT.

4. COMMENT:

ON BASIS OF GNZ DEPARTMENT OF STATISTICS ESTIMATES THAT PRIVATE REPEAT PRIVATE IMPORT PAYMENTS WILL AVERAGE \$NZ166 MILLION A MONTH FROM DECEMBER TO FEBRUARY AND \$NZ168 MILLION PER MONTH FROM MARCH TO MAY, WITH MONTHLY TOTAL OTHER CURRENT PAYMENTS HOVERING BETWEEN \$NZ60 MILLION AND \$NZ85 MILLION THE ADVERSE CURRENT ACCOUNT BALANCE CAN STILL VARY BETWEEN \$NZ50 MILLION AND \$NZ75 MILLION EACH MONTH FOR THE NEXT SEVERAL MONTHS, IF EXPORT RECEIPTS DON'T FALL FURTHER.
SELDEN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DATA, BALANCE OF PAYMENTS DEFICITS
Control Number: n/a
Copy: SINGLE
Draft Date: 31 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975WELLIN00271
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750035-0814
From: WELLINGTON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t1975011/aaaaaacx.tel
Line Count: 88
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 02 DEC 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 DEC 2003 by ThomasVJ>; APPROVED <30 DEC 2003 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: LARGE 1974 BALANCE OF PAYMENTS DEFICIT FOR MTN DELEGATION
TAGS: EFIN, NZ
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006